

RAPE TRAUMA SERVICES

FINANCIAL STATEMENTS

June 30, 2008

DATE RECEIVED:



AUDIT REVIEW #(s) 05/47

Assigned To: Leamy

Date Reviewed: 8/25/09

Reviewer's Initials: SL

Date Review(s) Completed: 8/25/09

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INDEPENDENT AUDITORS' REPORT


Board of Directors
Rape Trauma Services
Burlingame, California

We have audited the accompanying statement of financial position of Rape Trauma Services (a nonprofit California corporation) as of June 30, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rape Trauma Services, as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 7, 2009, on our consideration of Rape Trauma Services' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.


Mandel & King, CPAs
Certified Public Accountants
San Francisco, California
January 7, 2009

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RAPE TRAUMA SERVICES, INC.

Statement of Financial Position
June 30, 2008

Assets

| | |
|---|-------------------|
| Current Assets | |
| Cash | \$ 4,913 |
| Contract receivable | 181,775 |
| Prepaid expenses | <u>620</u> |
| Total Current assets | <u>187,508</u> |
| Property and equipment, less accumulated depreciation (Note 4) | <u> </u> |
| Total Assets | <u>\$ 187,508</u> |

Liabilities and Net Assets

| | |
|---------------------------------------|-------------------|
| Current Liabilities | |
| Accounts payable and accrued expenses | \$ <u>7,058</u> |
| Total Current liabilities | <u>7,058</u> |
| Contingencies (Note 6) | |
| Net Assets | |
| Unrestricted | <u>180,450</u> |
| Total Net Assets | <u>180,450</u> |
| Total Liabilities and Net Assets | <u>\$ 187,508</u> |

See Notes to the Financial Statements

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RAPE TRAUMA SERVICES, INC.

Statement of Activities
Year Ended June 30, 2008

| | Unrestricted | Temporarily Restricted | Total |
|--|-------------------|---------------------------|-------------------|
| Support and Revenue: | | | |
| Support | | | |
| Government contracts | \$ 492,179 | \$ - | \$ 492,179 |
| Foundation and community grants | 21,450 | - | 21,450 |
| Corporate contributions | 4,598 | - | 4,598 |
| Contributions | 42,531 | - | 42,531 |
| Other income | 1,059 | - | 1,059 |
| Total Support | <u>561,817</u> | <u>-</u> | <u>561,817</u> |
| Revenue | | | |
| Counseling | 5,069 | - | 5,069 |
| Honoraria and training fees | 2,075 | - | 2,075 |
| Interest income | 432 | - | 432 |
| Total Revenue | <u>7,576</u> | <u>-</u> | <u>7,576</u> |
| Total Support and Revenue | <u>569,393</u> | <u>-</u> | <u>569,393</u> |
| Expenses: | | | |
| Program | 414,712 | - | 414,712 |
| General and administration | 67,608 | - | 67,608 |
| Fundraising | 36,163 | - | 36,163 |
| Total Expenses | <u>518,483</u> | <u>-</u> | <u>518,483</u> |
| Change in Net Assets | 50,910 | - | 50,910 |
| Unrestricted Net Assets, beginning of year | <u>129,540</u> | <u>-</u> | <u>129,540</u> |
| Unrestricted Net Assets, end of year | <u>\$ 180,450</u> | <u>\$ -</u> | <u>\$ 180,450</u> |

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RAPE TRAUMA SERVICES, INC.

Statement of Cash Flows
Year Ended June 30, 2008

Cash flows from operating activities:

| | |
|--|-----------------|
| Increase in net assets | \$ 50,910 |
| Adjustments to reconcile change in net assets to cash provided (used) by operating activities | |
| (Increase) decrease in operating assets | |
| Contracts receivable | (86,632) |
| Prepaid expenses | (120) |
| (Decrease) Increase in operating liabilities | |
| Accounts payable and accrued expenses | (138) |
| Net cash provided (used) by operating activities | <u>(35,980)</u> |
| Net change in cash | (35,980) |
| Cash, beginning of year | <u>40,893</u> |
| Cash, end of year | <u>\$ 4,913</u> |

RAPE TRAUMA SERVICES, INC.

Statement of Functional Expenses
Year Ended June 30, 2008

| | Program | General and Administration | Fundraising | Total |
|---------------------------|-------------------|-------------------------------|------------------|-------------------|
| Salaries | \$ 255,197 | \$ 20,692 | | \$ 275,889 |
| Payroll taxes | 24,123 | 1,956 | | 26,079 |
| Employee benefits | 20,755 | 1,683 | | 22,438 |
| | <u>300,075</u> | <u>24,331</u> | | <u>324,406</u> |
| Contractual | 44,802 | 4,490 | 29,931 | 79,223 |
| Occupancy | 34,885 | 2,829 | | 37,715 |
| Telephone | 11,044 | 895 | | 11,939 |
| Equipment and maintenance | 5,732 | 5,732 | | 11,464 |
| Postage | | 5,095 | 5,095 | 10,190 |
| Supplies | | 8,703 | | 8,703 |
| Travel | 2,845 | 4,206 | | 7,051 |
| Printing | 5,286 | 449 | | 6,735 |
| Conference/workshops | 6,194 | | | 6,194 |
| Insurance | | 4,305 | | 4,305 |
| Education and training | 2,848 | | | 2,848 |
| Recruitment | | 2,175 | | 2,175 |
| Payroll Processing | | 1,703 | | 1,703 |
| Bank charges | | 1,221 | | 1,221 |
| Promotion/Outreach | | | 1,137 | 1,137 |
| Dues and subscriptions | | 795 | | 795 |
| Miscellaneous | | 477 | | 477 |
| Interest expense | | 202 | | 202 |
| | <u>\$ 414,712</u> | <u>\$ 67,608</u> | <u>\$ 36,163</u> | <u>\$ 518,483</u> |

See Notes to the Financial Statements

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NOTE 1: NATURE OF ACTIVITIES

Rape Trauma Services (the Organization) is a California nonprofit public benefit corporation, which was organized to establish a center for healing from violence.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization has no permanently restricted net assets.

Revenue Recognition

Contributions are recognized as revenue when received or unconditionally promised. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

The Internal Revenue Service and the California Franchise Tax Board have determined that the Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501 (c) (3) and the California Revenue and Taxation Code Section 23701(d).

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

The Organization depends on the volunteer efforts of individuals to answer the twenty-four hour crisis line. These volunteers complete 32 hours of intensive training, but their efforts do not meet the requirements above and therefore, there is no value recorded for this contribution in the financial statements.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Equivalents

For purposes of the statement of cash flows, the Organization considers all cash and other highly liquid investments with maturities of three months or less to be cash equivalents.

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs and maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives on the property and equipment.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 3: CONTRACTS RECEIVABLE

Contracts receivable at June 30, 2008 are fully collectible within the next twelve months.

NOTE 4: PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2008 consist of the following:

| | |
|-------------------------------|-----------------|
| Equipment & furniture (cost) | \$ 19,753 |
| Less accumulated depreciation | <u>(19,753)</u> |
| Total | <u>\$ 0</u> |

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NOTE 5: CONCENTRATION RISKS

Revenue and Receivables

For the year ended June 30, 2008, the Organization received 64% of its revenue from a single government source. Contract receivables were 80% from the aforementioned sources.

NOTE 6: CONTINGENCIES

The Organization receives a significant portion of its support from federal, state, and local government agencies. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

Grant awards require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization's management is of the opinion that the Organization has complied with the terms of all grants.

NOTE 7: COMMITMENTS

Operating Leases

The Organization is party to a lease for office space in Burlingame which expires in December 31, 2008. At June 30, 2008, future minimum operating lease payments are as follows:

| | |
|--------------------------|-----------------|
| Year ended June 30, 2009 | <u>\$18,840</u> |
| Total | <u>\$18,840</u> |

Rent expense for the year ended June 30, 2008 was \$ 37,715.

NOTE 8: RELATED PARTY TRANSACTIONS


During the year ended June 30, 2008, the Organization received \$466 of unrestricted support from board members.

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INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

Board of Directors
Rape Trauma Services
Burlingame, CA

We have audited the financial statements of The Rape Trauma Services (a nonprofit California corporation) as of June 30, 2008, and have issued our report thereon dated January 7, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States for the purpose of forming an opinion on the basic financial statements of the Organization taken as a whole. The supplementary schedule of Federal, State, City and County Awards and OES Statement of Costs Claimed and Accepted are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole. There were no findings or questioned costs nor costs recommended for disallowance in this or the prior fiscal year.


MANDEL & KING, CPAS
Certified Public Accountants
San Francisco, CA
January 7, 2009

MANDEL & KING, C.P.A.S

RAPE TRAUMA SERVICES, INC.

Office of Emergency Services Grants
Year Ended June 30, 2008

Contract Number: RC 07 13 1552
Grant Period: 7/01/07-6/30/08

Contract Number: AT 07011552
Grant Period: 10/01/07-9/30/08

| | Costs Claimed | | | Costs Accepted | | |
|---------------------------|--------------------------------|-------------------------------|---------------------------------|--------------------------------|-------------------------------|---------------------------------|
| | Three Months Ended 09/30/07 | Nine Months Ended 06/30/08 | Twelve Months Ended 06/30/08 | Three Months Ended 09/30/07 | Nine Months Ended 06/30/08 | Twelve Months Ended 06/30/08 |
| Personnel Services | \$ 38,944 | \$ 215,720 | \$ 254,664 | \$ 38,944 | \$ 215,720 | \$ 254,664 |
| Personnel (in kind match) | 9,736 | 66,016 | 75,752 | 9,736 | 66,016 | 75,752 |
| Operating Expenses | 14,228 | 91,487 | 105,715 | 14,228 | 91,487 | 105,715 |
| | <u>\$ 62,908</u> | <u>\$ 373,223</u> | <u>\$ 436,131</u> | <u>\$ 62,908</u> | <u>\$ 373,223</u> | <u>\$ 436,131</u> |

*Note: There were no questioned costs or costs recommended for disallowance.

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REPORT ON COMPLIANCE AND ON THE INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS

Board of Directors
Rape Trauma Services
Burlingame, CA

We have audited the financial statements of Rape Trauma Services (a nonprofit organization) as of June 30, 2008, and have issued our report thereon dated January 7, 2009. We conducted our audit in accordance with generally accepted auditing standards and standards applicable to financial audits in *Government Auditing Standards*, issued by the U.S. Comptroller General.


Compliance

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we considered to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, management, and their funding agencies. This report is not intended for and should not be used by anyone other than these specified parties.


MANDEL & KING, C.P.A.s
Certified Public Accountants
January 7, 2009
San Francisco, CA